

Date: 10 March 1982

TO: DCI

FROM: Herb Meyer

SUBJECT: Hungary's Application for
IMF Membership

REMARKS:

Hungary's application for IMF membership was considered on 29 January by the Cabinet Council on Economic Affairs. The Council decided to defer action, and to my knowledge that's where the matter stands.

In the absence of any new initiative, the Hungarian application will roll forward unopposed. According to [REDACTED]

[REDACTED] who once worked for IMF, the US could slow things down if we choose to do so. We are currently slowing down Poland's IMF application. In light of what we now know about the sad state of the Hungarian economy, I would imagine that the Russians are fairly anxious for Hungarian access to a new line of credit.

Would you like some work done here on whether in fact the US would gain useful leverage by throwing a monkey wrench into the process at this point-- or by threatening to throw in a monkey wrench?

ACTION

ILLEGIB

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